



Los Angeles County AUDIT COMMITTEE

Louisa Ollague, Chair
1st District
Brence Culp, Vice Chair
3rd District
Clinton Tatum
2nd District
Carl Gallucci
4th District
Angela Mazzie
5th District

MEETING MINUTES September 16, 2004

Vice Chair Brence Culp called the meeting to order at 1:35 p.m. in the Conference Room of Room 525 at the Kenneth Hahn Hall of Administration.

Committee Members Present

Louisa Ollague, First District
Clinton Tatum, Second District
Brence Culp, Third District
Angela Mazzie, Fifth District

Others in Attendance

Maria Oms, Auditor-Controller
Don Chadwick, Auditor-Controller
Martha Littlefield, Executive Office
Ken Wales, Executive Office

Approval of Minutes

On motion of Angela Mazzie, seconded by Brence Culp, the Committee unanimously approved the August 19, 2004 minutes.

Old Business

Group Home Program Monitoring Report – Journey House: The Auditor-Controller received the agency's corrective action plan for the implementation of the recommendations. Review determined that agency is providing the services outlined in its program statement. **On motion of Brence Culp, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing the report.**

Department of Health Services Centralized Contract Monitoring: The Auditor-Controller received department's response. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report, the Auditor-Controller will conduct a follow-up review in six months and staff will invite the Health Deputies to attend the meeting to discuss the review.**

Villa Esperanza Contract Review: Review determined the agency is providing the services outlined in its program statement and County contract, however, the agency needs to improve its service documentation and provide program services within established timeframes. **On motion of Clinton Tatum, seconded by Angela Mazzie the Committee unanimously approved receiving and filing the report.**

International Institute of Los Angeles Contract Review: The agency submitted its response disagreeing with all findings. The Auditor-Controller will submit a letter to the Board of Supervisors recommending the Department of Public and Social Services secure the operations of the Refugee Immigrant Training and Employment Program and work with the Auditor-Controller to collect the over-billings. **On motion of Clinton Tatum, seconded by Angela Mazzie, the Committee unanimously approved receiving and filing the report.**

Department of Public Social Services – Review of GEARS System: **On motion of Louisa Ollague, seconded by Brence Culp, the Committee unanimously approved requesting the Department of Public Social Services send the Social Service Deputies a memo, ccing the Audit Committee, outlining the implementation of several system changes.**

Los Angeles Eligibility Automated Determination, Evaluation and Reporting System Benefit Recovery Sub-System Review: **On motion of Louisa Ollague, seconded by Brence Culp, the Committee unanimously approved requesting the Department of Public Social Services send the Social Service Deputies a memo, ccing the Audit Committee, outlining the implementation of several system changes.**

Progress Report – Fiscal Review of Kedren Community Mental Health Center, A Mental Health Services Contractor Conducted by the Auditor-Controller: **On motion by Clinton Tatum, seconded by Angela Mazzie, the Committee unanimously approved continuing this item to the February 2005 meeting, pending a decision by the State on the agency's appeal.**

Reports to be Received and Filed

Child Care Information Services Contract Review: Review determined the agency is providing the services outlined in its program statement and County contract. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Expansion of Countywide Contract Monitoring Project to Include Department of Health Services Contracts (Board Agenda Item #5.4, June 21, 2004): Department of Health Services provided the information to participate in the pilot program. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Group Home Program Monitoring Report – Family Solutions Group Homes, Inc., El Toro, Mission Viejo, Blue Hill, Santa Ana, and Wet Covina: The Auditor-Controller is awaiting the agency's response to its recommendations. **This item was continued to the October 21, 2004 meeting.**

Group Home Program Monitoring Report – New Horizon/Sydia Group Home, Inc., New Horizon #1, New Horizon #2: Review determined the agency is providing the services outlined in its program statement, however some areas need improvement. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Daniel Webster Elementary School After-School Enrichment program Contract Review: Review determined the agency is providing the services outlined in their County contracts. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Group Home Program Monitoring Report – O'Conner & Atkins Group Home: Review determined the agency is providing the services outlined in its program statement however, some minor improvements are needed. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Group Home Program Monitoring Report – Trinity Children and Family Services, Norco: Review determined the agency is providing the services outlined in its program statement, however, some minor improvements are needed. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Group Home Program Monitoring Report – Optimist Group Home, Main Campus: Review determined the agency is providing the services outlined in its program statement, however, some minor improvements are needed. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Audit of the County Treasury as of June 30, 2003: Review and reconciliation of department's record is in conformity with accounting principles and government requirements. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved to receive and file the report.**

Group Home Program Monitoring Report – Linden Center – Gardner House and Keniston House: Review determined the agency is providing the services outlined in its program statement, however, improvements are needed in various areas. **On motion of Angela Mazzie, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Reports Received

King/Drew Medical Center Affiliation Agreement: Review determined neither the Charles R. Drew University nor the Medical Center maintained sufficient records to either evaluate or monitor the funds received or how it was spent. The new affiliation agreement reflects most of the Auditor-Controller's recommendations and the Auditor is working closely with both parties. **On motion of Louisa Ollague, seconded by Brence Culp, the Committee unanimously approved receiving and filing the report.**

Sunset Review for the Los Angeles County Public Health Commission: **On motion of Brence Culp, seconded by Clinton Tatum, the Committee unanimously approved extending the sunset date to July 1, 2008.**

Drew Child Development Corporation Contract Review: Review found questionable payments the District Attorney's Office has been notified and is investigating. **On motion of Brence Culp, seconded by Louisa Ollague, the Committee unanimously approved receiving and filing the report.**

Fiscal Review of Secure Transitions, Inc. – A Foster Family Agency Contractor: Review identified expenditures that were not supported and lack of internal controls. The Auditor-Controller is awaiting the agency's response to the recommendations. **On motion of Clinton Tatum, seconded by Brence Culp, the Committee unanimously approved continuing this item to the November 18, 2004 meeting.**

Sheriff Contract City Billing Practices Status Report: The Auditor-Controller is working with the Sheriff's Department regarding the costs excluded from the contract city cost model and they will meet with contract cities association representatives and the CAO next week. **On motion of Brence Culp, seconded by Clinton Tatum, the Committee unanimously approved to continue this item to the October 21, 2004 meeting.**

Advanced Building Maintenance Contract Review: Review of agency's compliance with its County contracts and County's Living Wage Ordinance (LWO) revealed the agency is not complying with certain State Labor Codes, County contract requirements, and the LWO. The Auditor-Controller recommends the four departments contracting with the

agency work with County Counsel to develop a plan to terminate the contracts and initiate debarment of the agency. The departments will submit a letter to the Board of Supervisors in October. **On motion of Brence Culp, seconded by Clinton Tatum, the Committee unanimously approved receiving and filing the report.**

Cash Clearance Review: Review of cash balances and collections indicated they were in compliance. **On motion of Clinton Tatum, seconded by Brence Culp, the Committee unanimously approved receiving and filing the report.**

Group Home Program Monitoring Report – The Sherman Group, Inc., 30th Street West, Almond, and Hermosa Youth Centers: Review determined that agency is providing the services outlined in its program statement, however several program areas need improvement. Auditor-Controller is awaiting agency's response to its recommendations. **On motion of Clinton Tatum, seconded by Angela Mazzie, the Committee unanimously approved to continue this item to the November 18, 2004 meeting.**

Other Business

Auditor-Controller Proposition A Contract Correspondence: The Auditor-Controller has reviewed the contracts over \$1 million but has not sent letters to the Board of Supervisors. **On motion of Brence Culp, seconded by Louisa Ollague, the Committee approved having the Auditor-Controller report to the Board of Supervisors on those items over \$1 million only if a discrepancy is discovered.**

Public Comment

Rone' C. Ellis commented of the Chairperson's use of a protective leg brace for her injury. She thanked the Committee for granting her request from the last meeting and stated that she did not approve of the Board not being notified of contracts under \$1 million. She inquired about the Committee's members and duties. Staff provided a brief overview.

Matters not on the posted agenda to be presented and placed on the agenda of a future meeting.

Clinton Tatum presented DeWitt Roberts with a scroll from the Board of Supervisors thanking him for his efforts and participation in working with the Audit Committee.

Adjournment

There being no further business to conduct, the meeting was adjourned at 2:09 p.m.